

Agency Summary
D.C. Retirement Board (DY0)
FY 2004 Recommended Baseline Budget

Fund Type	(A)	(B)	(C)	(D)	(E)	(F)	(G)=(F)-(B)
	Proposed 2003 Budget	Agency 2004 Request	OBP Baseline Scrub	Agency Appeals	OBP Centralized Adjustments	OBP Recommended Baseline	Net Baseline Adjustment
Personal Services	\$1,492,587	\$1,576,793	\$0	\$0	\$0	\$1,576,793	\$0
Non Personal Services	\$11,895,288	\$12,317,861	\$0	\$0	\$0	\$12,317,861	\$0
Special Purpose Revenue Fund	\$13,387,875	\$13,894,654	\$0	\$0	\$0	\$13,894,654	\$0
Total for PS	\$1,492,587	\$1,576,793	\$0	\$0	\$0	\$1,576,793	\$0
Total for NPS	\$11,895,288	\$12,317,861	\$0	\$0	\$0	\$12,317,861	\$0
Gross Total	\$13,387,875	\$13,894,654	\$0	\$0	\$0	\$13,894,654	\$0
FULL TIME EQUIVALENTS							
Special Purpose Revenue Fu	14.00	14.00	0.00	0.00	0.00	14.00	0.00
TOTAL	14.00	14.00	0.00	0.00	0.00	14.00	0.00

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Revised Budget Recommendation

SUMMARY:

There is no change to OBP's preliminary funding level of \$13,894,654 in FY 2004. (OBP preliminary recommendation provided below.)

OBP SCRUB:

There are no additional adjustments to the preliminary recommendation. (For further detail on OBP's scrub please refer to the OBP preliminary recommendation provided below.)

OBP CENTRALIZED ADJUSTMENTS:

There were no centralized adjustments made to this agency.

APPEAL:

The agency did not submit an appeal to the OBP preliminary budget recommendation.

Preliminary Budget Recommendation

The District of Columbia Retirement Board requested a budget amount of \$13,894,654 for FY 2004, an increase of \$506,779 or 3.8 percent over the FY 2003 proposed budget of \$13,387,875. The increase is due primarily to additional requirements for management fee costs associated with the various pension funds (Fire and Police). The request includes funding for 14 FTEs, which is no change from the FY 2003 level.

Funding for the DC Retirement Board consists of restricted-use Other Funds based on the earnings of the pension funds. Monies are withdrawn from the pension funds throughout the fiscal year to support the operating expenses of the Retirement Board as these costs are realized.

OBP supports the FY 2004 request, which is discussed as follows:

PERSONAL SERVICES

Personal services funding increases by \$84,206 or 5.6 percent over the FY 2003 level due to staff step and grade increases and a proposed increase in Trustee compensation. Further information regarding personal services is as follows:

- OBP has verified that Schedule A salaries match the provided unique salary scale that DCRB utilizes (schedule XDY) and has budgeted funding in additional regular pay for future compensation adjustments per past practice. DC Law 13-38 [DC Code Section 1-711(e)] authorizes the Retirement Board to establish and manage a classification and compensation program and provides the Board with exclusive authority to determine salary adjustments for its employees.

- The recommended budget contains funding for an increase in compensation for Trustees from \$5,000 to \$10,000. This increase was approved by the District Council in 1999 (DC Law 13-38) but was not fully approved by Congress in the 2000 DC Appropriations Act (PL 106-113). The District Council and Congress will need to approve this compensation increase before it can take effect. If it is not approved, the Retirement Board should reduce the budget accordingly.

- In accordance with the FY 2004 budget development guidelines, the board has separated overtime pay from other regular pay, which accounts for most of the \$129,543 decrease in additional gross pay from the FY 2003 level.

- The proposed budget maintains staffing at the FY 2003 level of 14 FTEs. However, one position is reclassified from Pension Systems Specialist to Administrative Assistant. The Retirement Board explained that the Pension Systems Specialist position had been vacant for at least three years and the existing Administrative Assistant position actually functions as an office receptionist.

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The second Administrative Assistant position will provide support for the Executive Director.

NONPERSONAL SERVICES

Nonpersonal services funding increases by \$422,573 or 3.6 percent over the FY 2003 level. Important nonpersonal services funding issues are as follows:

- The budget for contractual services totals \$11,872,670, an increase of \$447,229 or 3.9 percent over the FY 2003 level. These costs are for the management fees associated with the various pension funds. The fees are based generally on total fund value and will increase as the pension funds grow. The Board reports that it has budgeted these fees "...projecting a modest increase in the portfolio value in 2004..."
- As part of the FY 2003 Proposed Budget, the Board had planned to obtain a multi-year fiduciary liability policy. However, due to the 9/11 terrorist attacks a multi-year policy could not be obtained. As a result, an annual premium (\$150,000) for this required insurance continues to be budgeted annually in FY 2004.
- The agency is located in leased space at 1400 L Street, NW and manages all of its fixed costs. As such, OBP did not independently verify these budget amounts. However, the budget request for telephone has decreased by \$16,720 and budgeted rent has decreased by \$11,697 from FY 2003 budget levels. The agency indicates that actual telephone costs for the last two years have been significantly under-budget and that the reduced budget amount exceeds historical actual spending. The agency plans no change in use for telephone services during FY 2004. The amount budgeted for rent, although less than the amount budgeted in FY 2003 remains above projected property management costs.

Baseline and Adjustments Agency by Fund and Object Class

DY0 D.C. RETIREMENT BOARD

Fund 0600 Special Purpose Revenue Fund

Comptroller Source Group (Object Class 2)	(A) FY 2003 Proposed	(B) Agency 2004 Request	(C) OBP Baseline Scrib	(D) Agency Appeals	(E) OBP Centralized Adjustments	(F) BC&DHE Recommended Baseline	(G) Spending Pressures	(H) Target Adjustment	(I) Mayors Adjustment	(J) F&GHR Proposed Budget	(K) Change from FY 03 J.A.
0011 Regular Pay - Cont Full Time	1,047,000	1,163,303	0	0	0	1,163,303	0	0	0	1,163,303	116,303
0012 Regular Pay - Other	112,500	150,000	0	0	0	150,000	0	0	0	150,000	37,500
0013 Additional Gross Pay	149,489	19,946	0	0	0	19,946	0	0	0	19,946	-129,543
0014 Fringe Benefits - Curr Personnel	183,598	186,104	0	0	0	186,104	0	0	0	186,104	2,506
0015 Overtime Pay	0	57,440	0	0	0	57,440	0	0	0	57,440	57,440
Total: Personal Services	1,492,587	1,576,793	0	0	0	1,576,793	0	0	0	1,576,793	84,206
0020 Supplies And Materials	140,790	145,151	0	0	0	145,151	0	0	0	145,151	4,361
0031 Telephone, Telegraph, Telegram, Etc	31,920	15,200	0	0	0	15,200	0	0	0	15,200	-16,720
0032 Rentals - Land And Structures	245,137	233,440	0	0	0	233,440	0	0	0	233,440	-11,697
0040 Other Services And Charges	11,425,441	11,872,670	0	0	0	11,872,670	0	0	0	11,872,670	447,229
0070 Equipment & Equipment Rental	52,000	51,400	0	0	0	51,400	0	0	0	51,400	-600
Total: Non Personal Services	11,895,288	12,317,861	0	0	0	12,317,861	0	0	0	12,317,861	422,573
Fund Total 0600 Special Purpose Reven	13,387,875	13,894,654	0	0	0	13,894,654	0	0	0	13,894,654	506,779
Total for DY0 D.C. Retirement Board	13,387,875	13,894,654	0	0	0	13,894,654	0	0	0	13,894,654	506,779

Baseline and Adjustments Agency by Control Center, and Object Class

DY0 D.C. RETIREMENT BOARD

Control Center 1000 ADMIN

Comptroller Source Group (Object Class 2)	(A)	(B)	(C)	(D)	(E)	(F) B+C+D+E	(G)	(H)	(I)	(J) F+G+H+I	(K) J-A
	FY 2003 Proposed	Agency 2004 Request	OBP Baseline Scrub	Agency Appeals	OBP Centralized Adjustments	OBP Recommended Baseline	Spending Pressures	Target Adjustment	Mayors Adjustment	Mayors Proposed Budget	Change from FY 03
0011 Regular Pay - Cont Full Time	1,047,000	1,163,303	0	0	0	1,163,303	0	0	0	1,163,303	116,303
0012 Regular Pay - Other	112,500	150,000	0	0	0	150,000	0	0	0	150,000	37,500
0013 Additional Gross Pay	149,489	19,946	0	0	0	19,946	0	0	0	19,946	-129,543
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Total: Personal Services	1,492,587	1,576,793	0	0	0	1,576,793	0	0	0	1,576,793	84,206
0020 Supplies And Materials	140,790	145,151	0	0	0	145,151	0	0	0	145,151	4,361
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0070 Equipment & Equipment Rental	52,000	51,400	0	0	0	51,400	0	0	0	51,400	-600
Total: Non Personal Services	11,895,288	12,317,861	0	0	0	12,317,861	0	0	0	12,317,861	422,573
Control Center 1000 ADMIN	13,387,875	13,894,654	0	0	0	13,894,654	0	0	0	13,894,654	506,779
Total D.C. Retirement Board	13,387,875	13,894,654	0	0	0	13,894,654	0	0	0	13,894,654	506,779